

Second Revised
Supplemental Report of The
Utah
Legislative Compensation
Commission



(Photo by Capitol Preservation Board)

Prepared for the 2012 General Session of the Utah State Legislature

TABLE OF CONTENTS

Letter of Transmittal and Recommendations.....	1
APPENDIX A: LEGAL AUTHORITY	5



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Legislative Compensation Commission

March 8, 2012

To the Utah State Legislature:

Transmitted herewith is the *Second Revised Supplemental Report of the Utah Legislative Compensation Commission Prepared for the 2012 General Session of the Utah State Legislature*.

According to Utah law (UCA 36-2-5) the Utah Legislative Compensation Commission (Commission) may issue reports subsequent to January 2 of an even-numbered year containing revised salary recommendations, including salary recommendations contingent upon certain action being taken by the Legislature. In addition, as provided in Utah law (UCA 36-2-3) this salary recommendation shall be based on either a daily basis or an annualized salary. In preparing its report, the Commission may recommend salary amounts that take into account the amounts received by legislators for legislative expenses; and provide alternative salary amounts based upon the occurrence of various contingencies.

The revised recommendations further clarify the Commission's intent and goals to improve transparency and help address the rural versus urban salaries of legislators.

In making these recommendations we have considered the salaries of similar state legislators and other factors as directed by the Legislature. A guiding principle for the making and suggested implementation of these recommendations is the legislative mandate of "maintaining a citizen Legislature in Utah, but compensating members fairly for their service in order that all individuals would have an opportunity to serve." Utah Code 36-2-5(1)(b).

The Commission makes the following revised recommendations:

Recommendation #1:

The Commission recommends that for transparency purposes the daily per diem allowances for food and lodging be replaced with an expense reimbursement system.

The Commission recommends that if legislators eliminate the daily per diem allowances for food and lodging and change to an expense reimbursement system for actual lodging, actual meal and incidental expenses if lodging is necessary, mileage, and travel expenses, then contingent upon these changes the Commission recommends that legislators be paid a daily salary of \$273 per day for the general session, interim days, special sessions, and veto override sessions. Further,

the \$273 daily rate is based upon combining the existing \$117 daily rate with the two existing per diem rates of \$95 and \$61. With the elimination of the per diems, members of the Legislature may seek reimbursement for actual travel related expenses similar to reimbursements for state employees as outlined in the Division of Finance's Utah Admin. Code. R.25-7.

The Commission recommends that, if the Legislature is called in due to a natural disaster or other emergency situation that is beyond the scope of these recommendations, the Commission may reconvene to consider compensating legislators for time taken for those circumstances at the daily rate of \$273.

If the Legislature rejects the Commission's recommendations then the salary for a member of the Legislature will remain at the current rate of \$117 per day for 60 days per year.

Recommendation #2:

If legislators eliminate the daily per diem allowances for food and lodging and change to an expense reimbursement system for actual lodging, actual meal and incidental expenses as set forth above, then contingent upon these changes the Commission recommends that legislators who serve on committees, commissions, or task forces, other than Standing Committees, Interim Committees, Legislative Management Committee, Executive Appropriations Committee, and Appropriations Subcommittees, be paid up to an additional \$273 per day for required meetings of such committees, commissions, or task forces held on days other than the general session, special sessions, veto override sessions, and interim days, if (i) the committee, commission, or task force is created by statute or joint resolution, (ii) the meeting and amount is approved by the Legislative Management Committee, and (iii) service and payment for service on such committee, commission or task force is not in violation of Article V, Article VI Sections 6 and 7, or other provisions of the Constitution of Utah.

Recommendation #3:

The Commission recommends that additional compensation for legislative leaders remain at \$3,000 per year for the Senate President and the House Speaker and at \$2,000 per year for the Majority and Minority Leaders, including the Chairs of the Executive Appropriations.

Recommendation #4:

The Commission recommends that a fourth leadership position in Senate and House Minority leadership, namely the Senate and House Minority Caucus Managers, be added to those leadership positions receiving additional compensation for legislative leadership of \$2,000 per year because the positions have been longstanding, have increased in duties, and have responsibilities similar to other leadership positions.

The Commission appreciates the opportunity to serve the State, Governor, and Legislature and we express our thanks to the staff for their expertise and support.

Sincerely,

The Utah Legislative Compensation Commission

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Appendix A

Legal Authority

APPENDIX A

Utah Legislative Compensation Commission Legal Authority

UTAH CONSTITUTION

Article VI, Section 9. Compensation of legislators -- Citizens' salary commission.

The Legislature shall not increase the salaries of its members on its own initiative, but shall provide by law for the appointment by the Governor of a citizens' salary commission to make recommendations concerning the salaries of members of the Legislature. Upon submission of the commission's recommendations, the Legislature shall by law accept, reject or lower the salary but may not, in any event, increase the recommendation. The Legislature shall provide by law for the expenses of its members. Until salaries and expenses enacted as authorized by this section become effective, members of the Legislature shall receive compensation of \$25 per diem while actually in session, expenses of \$15 per diem while actually in session, and mileage as provided by law.

UTAH CODE

36-2-3. Salaries of members set by Legislature based on recommendations of Legislative Compensation Commission.

(1) (a) Except as provided in Subsections (2), (3), or (4), the salaries of members of the Legislature shall automatically be set beginning January 1st of each odd-numbered year at the amount recommended by the Legislative Compensation Commission in the last report issued by the commission in the preceding even-numbered year.

(b) This salary recommendation shall be based on either:

(i) a daily basis:

(A) for each calendar day for annual general sessions; and

(B) for each day a legislator attends veto-override and special sessions and other authorized legislative meetings; or

(ii) an annualized salary.

(c) In preparing its report, the commission may recommend salary amounts that:

(i) take into account the amounts received by legislators for legislative expenses; and

(ii) provide alternative salary amounts based upon the occurrence of various contingencies.

(2) (a) During an even-numbered annual general session or special session in the year

immediately preceding the effective date of any salary change, the Legislature may reject or decrease the salary recommendation, but may not increase the salary recommendation.

(b) If the Legislature does not act as provided in Subsection (2)(a), they have by law accepted the Legislative Compensation Commission's recommendations contained in the last report issued by the commission in the preceding even-numbered year.

(3) Unless the commission issues a revised report after March 11, 2010, and notwithstanding Subsection (2), the salary for a member of the Legislature through calendar year 2011 is \$117 per day for each calendar day that the legislator attends:

- (a) the annual general session;
- (b) a veto-override session;
- (c) a special session; or
- (d) an authorized legislative meeting.

(4) If the last report issued by the commission in an even-numbered year recommends a salary contingent upon certain action being taken by the Legislature, that contingent legislative salary:

(a) takes effect on the day after the day that the contingent action is taken by the Legislature; and

(b) supersedes any other salary in effect as of January 1.

36-2-4. Legislative Compensation Commission created -- Governor's considerations in appointments -- Organization and expenses.

(1) There is created a state Legislative Compensation Commission composed of seven members appointed by the governor, not more than four of whom shall be from the same political party.

(2) (a) Except as required by Subsection (2)(b), the members shall be appointed for four-year terms.

(b) Notwithstanding the requirements of Subsection (2)(a), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of board members are staggered so that approximately half of the board is appointed every two years.

(c) When a vacancy occurs in the membership for any reason, the replacement shall be appointed for the unexpired term in the same manner as the vacated member was chosen.

(3) In appointing members of the commission, the governor shall give consideration to achieving representation from the major geographic areas of the state, and representation from a broad cross section of occupational, professional, employee, and management interests.

(4) The commission shall select a chair. Four members of the commission shall constitute a quorum. The commission shall not make any final determination without the concurrence of a majority of its members appointed and serving on the commission being present.

(5) A member may not receive compensation or benefits for the member's service, but may receive per diem and travel expenses in accordance with:

- (a) Section [63A-3-106](#);
- (b) Section [63A-3-107](#); and
- (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and [63A-3-107](#).

(6) (a) The commission shall be a citizen commission and no member or employee of the legislative, judicial, or executive branch is eligible for appointment to the commission.

(b) The director of the Governor's Office of Planning and Budget:

- (i) shall provide staff to the commission; and
- (ii) is responsible for administration, budgeting, procurement, and related management

functions for the commission.

36-2-5. Duties of Legislative Compensation Commission.

(1) The Legislative Compensation Commission shall:

(a) study and formulate recommendations concerning the salary levels for Utah state legislators;

(b) base the study and recommendations upon maintaining a citizen Legislature in Utah, but compensating members fairly for their service in order that all individuals would have an opportunity to serve;

(c) in developing recommendations, consider the salaries of other similar state legislators and other such factors; and

(d) submit to each member of the Legislature, by January 2nd of each even-numbered year, recommendations:

(i) concerning changes, if any, which should be made in the salary plan and its administration for state legislators; and

(ii) include a recitation of the provisions of Section [36-2-3](#).

(2) The Legislative Compensation Commission may issue reports subsequent to January 2 of an even-numbered year containing revised salary recommendations, including salary recommendations contingent upon certain action being taken by the Legislature.

(3) As provided in Subsection [36-2-3](#)(1)(c), in formulating its recommendations, the commission may take into account the amounts received by legislators for legislative expenses, but may not review the propriety of, or recommend amounts for, legislative expenses.